



DEAN D. EFSTATHIOU, Acting Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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IN REPLY PLEASE
REFER TO FILE: PD-6

August 5, 2008

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**COOPERATIVE FINANCIAL AGREEMENT
BETWEEN THE CITY OF MANHATTAN BEACH AND
THE COUNTY OF LOS ANGELES
FOR ROADWAY IMPROVEMENTS OF
HIGHLAND AVENUE FROM 45TH STREET TO 15TH STREET
CITY OF MANHATTAN BEACH
(SUPERVISORIAL DISTRICT 4)
(3 VOTES)**

SUBJECT

This action is to approve a cooperative financial agreement between the City of Manhattan Beach and the County of Los Angeles to fund a project to resurface and reconstruct Highland Avenue from 45th Street to 15th Street in the City of Manhattan Beach.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Chair of your Board to sign the cooperative agreement with the City of Manhattan Beach for the project. The agreement provides for the County of Los Angeles to perform the preliminary engineering and to administer the construction of the project, with the City of Manhattan Beach to fully finance the project cost. The agreement further provides for the City of Manhattan Beach to assign to the County of Los Angeles \$553,236 of its available Federal Surface Transportation Program funds to finance a portion of the project cost.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to authorize the County of Los Angeles (County) to perform the preliminary engineering and administer the construction of the project. The City of Manhattan Beach (City) has requested the County's assistance to complete this project. Your Board's approval of the attached agreement is necessary for the delegation of responsibilities and the cooperative financing of the project.

The County proposes to resurface and reconstruct Highland Avenue from 45th Street to 15th Street, which is entirely within the geographical boundary of the City.

Sections 1685 and 1803 of the California Streets and Highways Code provide that the board of supervisors of any county may enter into contracts or agreements with the legislative body of any city for the purposes of more efficient construction or repair of streets and roads within the city.

Implementation of Strategic Plan Goals

The County Strategic Plan directs the provision of Service Excellence (Goal 1) and Community Services (Goal 6). By resurfacing and reconstructing Highland Avenue from 45th Street to 15th Street, residents of the City and nearby unincorporated County areas who travel on this road will benefit, and their quality of life will be improved.

FISCAL IMPACT/FINANCING

The total cost of this project is estimated to be \$1,072,000, with the City to finance the total cost of the improvements in accordance with the provisions of the agreement. Funding for this project will be included in the Fiscal Year 2009-10 Proposition C Local Return Fund Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed agreement provides for the County to perform the preliminary engineering and administer the construction of the project, with the City to finance the total cost of the improvements. The agreement has been executed by the City and approved as to form by County Counsel.

The Honorable Board of Supervisors
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ENVIRONMENTAL DOCUMENTATION

On May 13, 2008, Item 44, your Board approved the environmental document for this project. The Mitigated Negative Declaration found that the project will not have a significant effect on the environment in accordance with the provisions of the California Environmental Quality Act.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Highland Avenue is on the County Highway Plan, and the proposed improvements are needed and of general County interest. This project will also enhance motorist and pedestrian safety.

CONCLUSION

Please return one adopted copy of this letter and the copy marked CITY ORIGINAL of the agreement to the Department of Public Works, Programs Development Division. The agreement marked COUNTY ORIGINAL is for your files.

Respectfully submitted,


DEAN D. EFSTATHIOU
Acting Director of Public Works

DDE:SA:sc

Attachment

c: Chief Executive Office
County Counsel

A G R E E M E N T

THIS AGREEMENT, made and entered into by and between the CITY OF MANHATTAN BEACH, a municipal corporation in the County of Los Angeles (hereinafter referred to as CITY) and the COUNTY OF LOS ANGELES, a political subdivision of the State of California (hereinafter referred to as COUNTY):

W I T N E S S E T H

WHEREAS, Highland Avenue is on the Highway Element of CITY'S General Plan and on COUNTY'S Highway Plan; and

WHEREAS, CITY and COUNTY propose to resurface and reconstruct Highland Avenue from 45th Street to 15th Street (which work is hereinafter referred to as PROJECT); and

WHEREAS, PROJECT is entirely within the geographical boundary of CITY; and

WHEREAS, PROJECT is of general interest to CITY and COUNTY; and

WHEREAS, COUNTY is willing to perform the preliminary engineering, construction inspection and engineering, materials testing, construction survey, and contract administration for PROJECT; and

WHEREAS, CITY is willing to finance COST OF PROJECT (as defined herein below); and

WHEREAS, COST OF PROJECT is currently estimated to be One Million Seventy-two Thousand and 00/100 Dollars (\$1,072,000.00); and

WHEREAS, CITY and COUNTY have heretofore executed Agreement No. 75452 providing for the assignment of CITY Federal-aid funds to COUNTY; and

WHEREAS, CITY proposes to finance a portion of COST OF PROJECT by utilizing the CITY'S credit of Federal-aid funds previously assigned to COUNTY under Agreement No. 75452, in the amount of One Hundred Fifty-four Thousand and 00/100 Dollars (\$154,000.00); and

WHEREAS, CITY proposes to finance a portion of COST OF PROJECT by assigning its available Federal Surface Transportation Program (STP) funds to COUNTY, currently estimated to be Five Hundred Fifty-three Thousand Two Hundred Thirty-six and 00/100 Dollars (\$553,236.00); and

WHEREAS, the Los Angeles County Metropolitan Transportation Authority allows the transfer of STP funds between cities and COUNTY by mutual agreement; and

WHEREAS, COUNTY is willing to accept CITY assignment of STP funds; and

WHEREAS, CITY further proposes to finance its remaining share of COST OF PROJECT by utilizing Three Hundred Sixty-four Thousand Seven Hundred Sixty-four and 00/100 Dollars (\$364,764.00) of CITY'S Proposition C Local Return funds; and

WHEREAS, such a proposal is authorized and provided for by the provisions of Section 6500 et seq. of the Government Code and Section 1803 of the California Streets and Highways Code.

NOW, THEREFORE, in consideration of the mutual benefits to be derived by CITY and COUNTY and of the premises herein contained, it is hereby agreed as follows:

(1) DEFINITIONS:

- a. The term JURISDICTION, as referred to in this AGREEMENT, shall be defined as the area within the geographical boundary of each governmental entity mentioned in this AGREEMENT.
- b. The COST OF PROJECT, as referred to in this AGREEMENT, shall include the costs of preliminary engineering, construction contract, contract administration, construction inspection and engineering, materials testing, construction survey, utility relocation, traffic detour, final signing and striping, and all other work necessary to construct PROJECT in accordance with the approved plans and shall include currently effective percentages added to total salaries, wages, and equipment costs to cover overhead, administration, and depreciation in connection with any or all of the aforementioned items.
- c. The cost of PRELIMINARY ENGINEERING, as referred to in this AGREEMENT, shall include the costs of environmental documentation; design survey; traffic index and geometric investigation; soil testing; right-of-way acquisition and certification; preparation of plans, specifications, and cost estimates; utility engineering; and all other necessary work prior to advertising of PROJECT for construction bids and shall include currently effective percentages added to total salaries, wages, and equipment costs to cover overhead, administration, and depreciation in connection with any and all of the aforementioned items.
- d. The cost of CONSTRUCTION CONTRACT, as referred to in this AGREEMENT, shall include the total of payments to the construction

contractor(s) for PROJECT and the total of all payments to utility companies or contractor(s) for the relocation of facilities necessary for the construction of PROJECT.

(2) CITY AGREES:

- a. To finance COST OF PROJECT, the actual amount of which is to be determined by a final accounting of PROJECT costs.
- b. That an estimated One Hundred Fifty-four Thousand and 00/100 Dollars (\$154,000.00) of CITY'S Federal-aid credit, through its previous assignment of Federal-aid funds to COUNTY under Agreement No. 75452, shall be used to finance a portion of COST OF PROJECT.
- c. To assign Five Hundred Fifty-three Thousand Two Hundred Thirty-six and 00/100 Dollars (\$553,236.00) of CITY'S available STP funds to COUNTY to finance a portion of COST OF PROJECT. Such assignment shall be effective upon full execution of this AGREEMENT with no further action required by CITY.
- d. To obtain the Los Angeles County Metropolitan Transportation Authority's approval to expend Proposition C Local Return funds to finance its remaining share of COST OF PROJECT.
- e. To deposit with COUNTY, following execution of this AGREEMENT and upon demand by COUNTY, CITY Proposition C Local Return funds in the amount of Three Hundred Sixty-four Thousand Seven Hundred Sixty-four and 00/100 Dollars (\$364,764.00) to finance its remaining share of COST OF PROJECT.
- f. To grant COUNTY permission to occupy and use the public streets in CITY.
- g. To obtain, if necessary, and grant to COUNTY, at no cost to COUNTY, any temporary right of way that CITY owns or has an easement for that is necessary for the construction of PROJECT.
- h. Upon approval of construction plans for PROJECT, to issue COUNTY a no-fee permit(s) authorizing COUNTY to construct those portions of PROJECT within CITY highway right of way.
- i. To review the construction contract bids for PROJECT, and any subsequent change orders for PROJECT and provide written approval, or other response, within ten (10) calendar days of presentation by COUNTY. CITY'S approval may only be withheld for good reason, including excessive cost, and in good faith. If CITY'S response is not

received within said ten (10) calendar days, COUNTY may proceed with PROJECT or change orders. If CITY does not approve any such subsequent change orders, COUNTY may proceed with original scope of work to do all things necessary and proper to complete PROJECT. CITY shall review and approve documents in an expeditious manner so as not to cause any impact on the progress and schedule of PROJECT.

- j. To cooperate with COUNTY in conducting negotiations with, and where appropriate, issue notices to public utility organizations and owners of substructure and overhead facilities regarding the relocation, removal, operation, and maintenance of all surface and underground utilities and facilities, structures, and transportation services, which interfere with the proposed construction of PROJECT. Where utilities have been installed in CITY streets or on CITY property, CITY will provide the necessary right of way for the relocation of those utilities and facilities that interfere with the construction of PROJECT. CITY will take all necessary steps to grant, transfer, or assign all prior rights over to utility companies and owners of substructure and overhead facilities when necessary to construct, complete, and maintain PROJECT or to appoint COUNTY as its attorney-in-fact to exercise such prior rights.
- k. To appoint COUNTY as CITY'S attorney-in-fact for the purpose of representing CITY in all negotiations pertaining to the advertisement of PROJECT for construction bids, award, and administration of the construction contract and in all things necessary and proper to complete PROJECT.
- l. Upon completion of PROJECT, to maintain in good condition and at CITY expense all improvements constructed as part of PROJECT.

(3) COUNTY AGREES:

- a. To perform or cause to be performed the preliminary engineering, construction, construction inspection and engineering, materials testing, construction survey, contract administration and all other work necessary to complete PROJECT.
- b. To accept CITY'S Federal-aid credit, previously assigned to COUNTY under Agreement No. 75452, as partial payment of COST OF PROJECT.
- c. To accept CITY'S assignment of STP funds and Proposition Local Return C funds as partial payment toward COST OF PROJECT.
- d. To obtain CITY'S approval of plans for PROJECT prior to advertising for construction bids.

- e. To advertise PROJECT for construction bids, to award and to administer the construction contract, to do all things necessary and proper to complete PROJECT, and to act on behalf of CITY in all negotiations pertaining thereto.
- f. COUNTY will require the construction contractor to carry insurance naming CITY as an additional insured. COUNTY agrees to submit proof of such insurance to CITY for its prior approval.
- g. To furnish CITY, within one hundred twenty (120) calendar days after final payment to contractor, a final accounting of the actual COST OF PROJECT including an itemization of actual unit costs and actual quantities for COST OF PROJECT.

(4) IT IS MUTUALLY UNDERSTOOD AND AGREED AS FOLLOWS:

- a. That if for any reason, COUNTY does not receive sufficient funds to finance COST OF PROJECT, as set forth in paragraph (2) a., above, CITY shall pay to COUNTY other CITY funds, upon demand by COUNTY, so that when combined with CITY'S Federal-aid credit, assignment of STP funds and CITY Proposition C Local Return funds, the total will equal COST OF PROJECT as set forth in paragraph (2) a., above. Said demand will consist of a billing invoice prepared by COUNTY and delivered to CITY. Conversely, if the required CITY funds to finance COST OF PROJECT are less than said credit, assignment and cash, COUNTY shall credit the difference to CITY within thirty (30) calendar days of the date COUNTY furnishes CITY with the final accounting.
- b. That if CITY'S payment, as set forth in paragraph (2) a., above, is not delivered to COUNTY office, which is described on the billing invoice prepared by COUNTY, prior to award of PROJECT, COUNTY may delay the award of PROJECT pending the receipt of CITY'S payment.
- c. That if CITY'S payments, as set forth in paragraphs (2) a. and (4) a., above, are not delivered to COUNTY office, which is described on the billing invoice prepared by COUNTY and delivered to CITY, within sixty (60) calendar days after the date of delivery to CITY of said invoice, COUNTY is entitled to recover interest thereon beginning sixty (60) calendar days from the date of the invoice at the rate of interest specified in the General Services Agreement executed by the parties to this AGREEMENT currently in effect.
- d. That if CITY'S payments, as set forth in paragraphs (2) a. and (4) a., above, are not delivered to COUNTY office, which is described on the billing invoice prepared by COUNTY and delivered to CITY, within sixty (60) calendar days after the date of delivery to CITY of said invoice,

notwithstanding the provisions of Government Code, Section 907, COUNTY may satisfy such indebtedness, including interest thereon, from any funds of CITY on deposit with COUNTY after giving notice to CITY of COUNTY'S intention to do so.

- e. CITY shall review the final accounting invoice for COST OF PROJECT prepared by COUNTY and delivered to CITY and report to COUNTY in writing any disputed charges or discrepancies within sixty (60) calendar days after the date of delivery to CITY of said invoice. Undisputed charges shall be deducted from CITY'S deposit. COUNTY shall review all disputed charges and submit a written justification to CITY detailing the basis for those charges within sixty (60) calendar days of receipt of CITY'S written report. CITY must submit justification to COUNTY for nonpayment within sixty (60) calendar days after the date of COUNTY'S written justification. If not, previously disputed charges shall then be deducted from CITY'S deposit and any remaining deposit shall be refunded to CITY within sixty (60) calendar days.
- f. If upon CITY review of the final accounting invoice there are no disputed charges, then CITY is entitled to recover interest on the remaining deposit that has not been but is required to be refunded beginning sixty (60) calendar days after the date CITY notifies COUNTY that there are no disputed charges. If upon CITY review of the final accounting invoice there are disputed charges, then CITY is entitled to recover interest on the remaining deposit that has not been, but is required to be refunded beginning sixty (60) calendar days after the disputed charges are resolved as provided for in paragraph (4) d., above. Interest recovered by CITY shall be at the rate of interest specified in the General Services Agreement executed by the parties to this AGREEMENT currently in effect.
- g. COUNTY, at any time, may, at its sole discretion, designate an alternative payment mailing address and an alternative schedule for payment of CITY funds if applicable. CITY shall be notified of such changes by invoice prepared by COUNTY and delivered to CITY.
- h. During construction of PROJECT, COUNTY shall furnish an inspector or other representative to perform the functions of an inspector. CITY may also furnish, at no cost to COUNTY, an inspector or other representative to inspect construction of PROJECT. Said inspectors shall cooperate and consult with each other, but the orders of COUNTY inspector to the contractors or any other person in charge of construction shall prevail and be final.
- i. This AGREEMENT may be amended or modified only by mutual written consent of COUNTY and CITY. Amendments and modifications of a

nonmaterial nature may be made by the mutual written consent of the parties' respective Directors of Public Works or their delegates.

- j. Any correspondence, communication, or contact concerning this AGREEMENT shall be directed to the following:

CITY: Mr. Jim A. Arndt
Director of Public Works
City of Manhattan Beach
1400 Highland Avenue
Manhattan Beach, CA 90266-4728

COUNTY: Mr. Dean D. Efsthaliou
Acting Director of Public Works
County of Los Angeles
Department of Public Works
P.O. Box 1460
Alhambra, CA 91802-1460

- k. Neither COUNTY nor any officer or employee of COUNTY shall be responsible for any damage or liability occurring by reason of any acts or omissions on the part of CITY under or in connection with any work, authority, or jurisdiction delegated to or determined to be the responsibility of CITY under this AGREEMENT. It is also understood and agreed that, pursuant to Government Code, Section 895.4, CITY shall fully indemnify, defend, and hold COUNTY harmless from any liability imposed for injury (as defined by Government Code Section 810.8) occurring by reason of any acts or omissions on the part of CITY under or in connection with any work, authority, or jurisdiction delegated to or determined to be the responsibility of CITY under this AGREEMENT.
- l. Neither CITY nor any officer or employee of CITY shall be responsible for any damage or liability occurring by reason of any acts or omissions on the part of COUNTY under or in connection with any work, authority, or jurisdiction delegated to or determined to be the responsibility of COUNTY under this AGREEMENT. It is also understood and agreed that, pursuant to Government Code, Section 895.4, COUNTY shall fully indemnify, defend, and hold CITY harmless from any liability imposed for injury (as defined by Government Code, Section 810.8) occurring by reason of any acts or omissions on the part of COUNTY under or in connection with any work, authority, or jurisdiction delegated to or determined to be the responsibility of COUNTY under this AGREEMENT.
- m. In contemplation of the provisions of Section 895.2 of the Government Code of the State of California imposing certain tort liability jointly upon public entities solely by reason of such entities being parties to an

n. It is understood and agreed that the provisions of Assumption of Liability Agreement No. 32068 between CITY and COUNTY, adopted by the Board of Supervisors on December 27, 1977, and currently in effect, are inapplicable to this AGREEMENT.

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IN WITNESS WHEREOF, the parties hereto have caused this AGREEMENT to be executed by their respective officers, duly authorized, by the CITY OF MANHATTAN BEACH on July 7, 2008, and by the COUNTY OF LOS ANGELES on _____, 2008.

COUNTY OF LOS ANGELES

By _____
Chair, Board of Supervisors

ATTEST:

SACHI A. HAMAI
Executive Officer of the
Board of Supervisors of the
County of Los Angeles

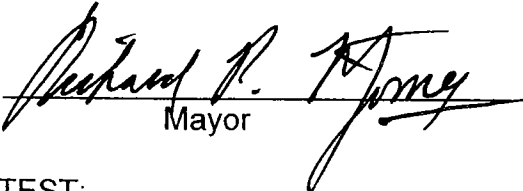
By _____
Deputy

APPROVED AS TO FORM:

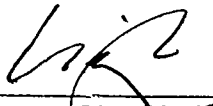
RAYMOND G. FORTNER, JR.
County Counsel

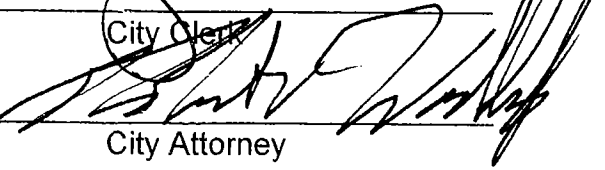
By 
Deputy

CITY OF MANHATTAN BEACH

By 
Mayor

ATTEST:

By 
City Clerk

By 
City Attorney